Online Exclusive

How Boards Help Businesses Navigate Uncertainty

By Theodore L. Dysart and Richard Fields **06/17/2025**

Strategy | Corporate Governance

Directors can take five key actions to strengthen resilience and drive success in unpredictable times.

Today's leaders face multidimensional uncertainty, and many have failed to anticipate the volatility and ambiguity of the moment. In contrast to previous periods, this disruption is more profound, with the very nature of how the world does business changing in real time. The news is noisy, the pace of change is rapid-fire, and geopolitics are destabilizing.

As a result, boards have never been more essential to the success of the companies they serve. However, boards often are not engaged early enough to provide advice and counsel on critical decisions, and as a result must make up for lost time later. By bringing boards into critical business decisions sooner, organizations can improve risk management, strategic guidance, governance, accountability, and communication.

Governance can serve as a stabilizing force, allowing organizations to use the collective expertise of board members to address challenges with resilience and foresight. Below are five key actions boards can take to help companies navigate uncertainty and strengthen their resilience.

Consider Lessons Learned

By offering external perspectives to the management team, directors play pivotal roles in times of uncertainty. During challenging times, the most common behavior we see in the C-suite is a desire to turn inward and play defense. Directors have the unique perspective of knowing the company internally, while also bringing an external mindset. That combination allows directors to provide outward-looking insights that frame critical questions and stress-test scenarios.

For example, many directors serve on multiple boards or hold executive roles in other organizations, giving them insight into how peers are navigating similar challenges. Drawing on what has succeeded—or failed—in comparable situations can help companies avoid missteps and make more informed decisions.

Stress-Test the Company's Risk Appetite

Risk management is one of the primary functions of a board, and a task that takes on extra weight during tumultuous times. Executives often have a bias toward or away from risk, and it is the board's responsibility to provide sound advice. RRA's 2025 Board Culture and Director Behavior survey found that directors identify political and regulatory risk (44%) and geopolitical risk (25%) as among their top operational risk concerns.

By identifying potential threats early and developing mitigation strategies, boards assist organizations in preparing to face challenges directly. Directors play a critical role in stress-testing risk appetite, spearheading the exploration of potential future scenarios, and identifying problem-solving strategies. This hands-on approach helps the board confirm that the company's risk-taking stays within acceptable bounds and that mitigation plans are robust enough to protect the organization during periods of uncertainty. This proactive approach not only protects the organization's assets but also instills confidence among stakeholders.

Stay Focused

The number of items competing for space on executive and board agendas continues to grow. From emerging technologies to shifting political winds and regulatory developments, leaders could easily spend all their time chasing the latest trend or responding to every new headline. While it's important to stay informed, boards can play a critical role in helping leadership remain focused on what matters most: the core business.

Amid rapid and often temporary changes in the broader environment, boards can serve as a voice of reason, encouraging discipline, prioritization, and alignment on long-term strategy. This does not mean boards should ignore new developments; instead, they should ensure that emerging issues are weighed in context and that leadership's time and attention are not spread too thin. In a world full of noise, focus is a competitive advantage.

Demonstrate Support for Leadership

Culture is an asset in a volatile world. Directors who demonstrate unwavering commitment to the firm's mission, vision, and core values in board deliberations and communications—particularly when facing difficult trade-offs—reinforce organizational resilience at the very top.

Boards should also recognize that management teams often carry the burden of disruption more acutely than directors. In our experience, sustained periods of crisis correlate with increased executive stress and burnout, which can undermine decision-making and strategic focus at precisely the time those qualities are most essential.

Boards can encourage senior leaders to delegate non-critical tasks and focus on key priorities to avoid burnout. Leaders who maintain strategic bandwidth during periods of disruption make better decisions and set an example of sustainable leadership for the workforce.

Exemplify Accountability

Boards have responsibilities to help expand and pressure-test management's thinking. The best ones bring that same approach to their own performance. Boards that regularly evaluate their own governance and effectiveness get more out of their directors and help instill a performance mindset for the company's executive leaders.

This typically manifests through regular, rigorous evaluation exercises to solicit, refine, and apply action-oriented feedback for the board, its committees, and its directors. Creating processes that do this most effectively, such as periodic external assessments and tracking performance against agreed-upon metrics, helps ensure that an evaluation is more than a report on a shelf.

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Russell Reynolds Associates is a NACD strategic content partner, providing directors with critical and timely information, and perspectives. Russell Reynolds Associates is a financial supporter of the NACD.

Theodore L. Dysart is a managing director with Russell Reynolds, focused on placing board members and CEOs.

Richard Fields is a managing director and the global leader of the Board Effectiveness Practice at R[illegible] Reynolds Associates.